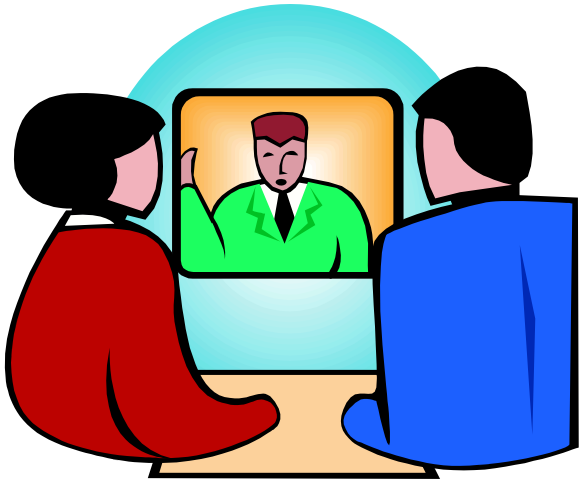
Ethics Training



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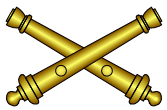
Why Ethics Training?

- **Know what you can and can't do**
- **Know what you can do vs. what you should do**
- **Ethics rules apply to everyone**
- **Know how rules apply to you**
- **So you can ask me questions**

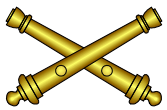


Why Ethics? Here's Why!!

- **Boeing Ejects CFO in Hiring Scandal**

  The aerospace giant fires its finance chief for reportedly improper chats with a top Air Force missile buyer.

  Stephen Taub, CFO.com
  November 25, 2003
  Boeing fired its CFO, Mike Sears, for talking with a former U.S. air force official about future employment before the official had disqualified herself from working on matters involving the aerospace giant.
- The official, Darleen Druyun, who had since become Boeing's vice president and deputy general manager of missile-defense systems, was also fired.



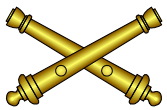
ANOTHER WHY!

Federal scientists' ethics under scrutiny

House probe targets consulting work

- **By Rick Weiss**
-
- Updated: 12:30 a.m. ET May 19, 2004

Top legal and ethics officials within the Department of Health and Human Services have repeatedly allowed government scientists to engage in lucrative consulting deals with pharmaceutical and biotechnology companies while ignoring the concerns of lower-level ethics officers, according to evidence presented at a House subcommittee hearing yesterday.



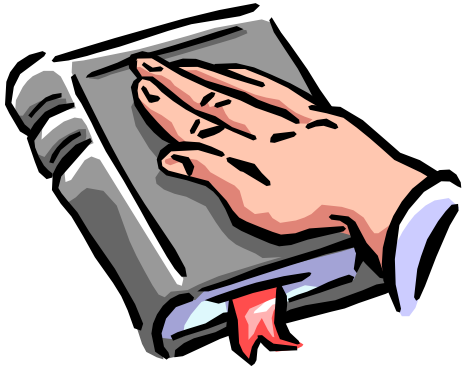
The Basics

- **14 Principles of Ethical Conduct**
  - **REF: 5 CFR § 2635.101(b)**
- **Basis of all ethics rules and regulations**
- **They form the box**
  - **think INSIDE the box**

Army vs. Sharks!

Ethics Principle #1

1. Public Service is a Public Trust
   - Place loyalty to laws/principles above private gain
   - Remember Your Oath
     - Well and faithfully discharge your duties

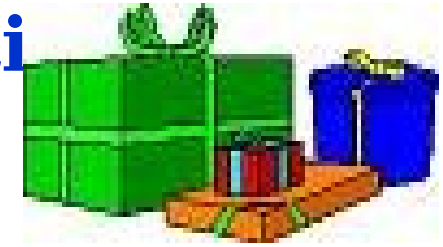


Ethics Principles #2 and #3

2. **May Not Take Official Action on Matters in Which You Have a Financial Interest**
   - **Criminal Statutes Apply!**
   - **Imputed interests of spouse/child/etc.**
   - **Actual vs. Appearance**
   - **TALK TO YOUR ETHICS COUNSELOR**
3. **No Use of Nonpublic Government Information for Private Gain**
   - **Procurement Integrity Act**

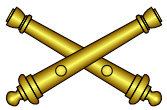
Ethical Principle #4
Gifts

4. Do not ask for or accept gifts or other items from people or organizations seeking official action from, doing business with, or conducting activities regulated by the Army, or whose interests may be substantially affected by the performance or nonperformance of yo ern duti



THE GIFT RULES

- You shall not solicit or accept, directly or indirectly, a gift from a prohibited source or given because of your official position
- You may never solicit a gift
- You may always decline a gift



Gifts Analysis

- What is a gift?
- Why is gift being offered?
- Is it from a prohibited source?
- Would acceptance be/look improper
- What do I do now?

What is a Gift?

- **GIFT: any item of monetary value – If You Want to Keep It, It's a Gift**
- **"Non-Gifts"**
  - **Items of little intrinsic value intended solely for presentation**
  - **coffee and donuts**
  - **discounts or offers made to class/group**

Why is Gift Offered?

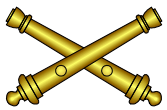
- **Official Position or Personal Capacity**
  - **sometimes the line becomes blurred**
- **Official position**
  - **gift rules apply**
- **Personal capacity**
  - **exercise caution**
  - **appearance concern**

Who or What is a Prohibited Source?

- **Does business with Army**
- **Seeks to do business with Army**
- **Conducts activities that Army regulates**
- **Interests may be substantially affected**

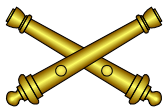
Prohibited Sources

- **Professional Assns. (e.g., . . .)**
- **Non-profit orgs. (e.g., ….)**
- **Educational institutions**
- **State and Local governments/agencies**
- **Defense contractors**
  - **contractor personnel**
  - **Special Rules: no solicitation or acceptance of gifts**



Exceptions to the Rule

- **Market value ≤ $20, per source, per occasion**
  - **< $50 per source per calendar year**
- **Gift to group/class of employees or Soldiers**
  - **based on other than official position/rank**
- **Award for service achievement**
  - **established program**
- **Permitted by statute**
  - **gifts from foreign governments (≤ $285)**
- **Widely Attended Gatherings**



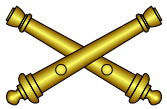
What do I do if Gift is Offered?

Just Say No!

- **If You Can't Decline**
  - **gift to Army**
  - **consumable goods**
  - **pay market value to donor**
  - **return gift**

Gifts Between Government Employees

- **Employees may not:**
  - **give gifts or solicit contributions for gifts to someone in subordinate - official superior chain**
  - **accept gifts from employees who receive less pay**
    - **unless no subordinate - official superior relationship AND**
    - **personal relationship justifies gift**

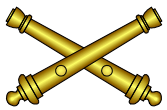


GIFTS – BETWEEN EMPLOYEES

- Superior may never solicit a gift from a subordinate for the superior's own gift
- May never coerce/force subordinate to donate or ask subordinate for >$10
- Donations must always be voluntary
- Rules of thumb:
  - Lowest ranking collects and informs office
  - Never keep a list

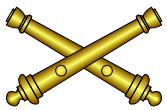
Gifts to Superiors -- Special Occasions

- Departing Gifts to Superiors.
  - **When a superior leaves because of PCS, change of command, retirement, etc.), subordinate employees can break from the general rule and give the departing superior a departure gift.**
  - **The gift should not exceed a fair market value of $300.00, regardless of the number of contributors to the gift. Also, the gift cannot be combined with another gift to create a larger gift if that larger gift is worth more than $300.00.**



Gifts to Superiors -- Spouses

- **Gifts to Spouses.**
  - **A gift to a superior's spouse is normally treated as a gift to the superior.**
  - **For instance, if the departing spouse is receiving a departing gift, the value of that gift should not exceed $300.00, and if any of the contributors (or their spouses) also contributed to the departing superior's gift, the aggregate of the two gifts must not exceed $300.00.**

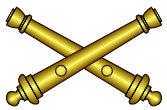


Gifts Between Government Employees—The Exceptions

- **Exception #1: Gifts given on an occasional basis**
  - **Birthdays, holidays, etc.**
  - **Food/drinks to be consumed in office**
  - **Personal Hospitality**
  - **≤ $10 per occasion**
  - **No Cash**

Gifts Between Government Employees—The Exceptions

- **Exception #2: Special Infrequent Occasions**
  - **Marriage, birth of a child, promotions not included unless….**
  - **Termination of official superior-subordinate relationship**
  - **Can solicit here but….**
    - **no more than $10/person**
    - **must be voluntary**
  - **Group gifts generally limited to $300/group**



Ethics Principles #5 and #6

5. Put forth an honest effort in the performance of your job.

6. Make no unauthorized promises or commitments that bind the government

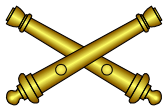
   --you may be held personally liable

Ethics Principles #7, #8, and #9

7. Employees shall not use public office for private gain.

8. Employees shall act impartially and not give preferential treatment to any private organization or individual.

9. Employees shall protect and conserve Federal property and shall not use it for other than authorized activities



Travel -- Overbooked Flights

- **Involuntary bump -- you may not keep the compensation, since it belongs to the govt.**
- **Voluntary surrender of seat**
  - **You may do this if taking the later flight would not interfere with the mission.**
  - **You may keep the compensation, if taking the later flight does not result in any additional cost to the govt, i.e., if you don't claim any extra per diem or extra costs for the additional time you're on the road.**

Upgrades on Official Travel -- When the Government Will Pay for It

- **First class accommodations allowed only when:**
  - **No other accommodations are reasonably available (within 24 hours of the required arrival / departure time).**
  - **The employee is so physically impaired that other accommodations cannot be used, OR**
  - **Exceptional security circumstances exist.**

- **Premium class other than first class (I.e., business class) accommodations are allowed in the nine situations listed in JFTR / JTR.**

Upgrades on Official Travel -- When You May Accept Them as a Gift

- **You may upgrade to first class or business class on government travel if it is:**
  - **Because of membership in club (such as Gold Card Club) for people with certain number of miles (even if all miles are from govt. travel),**
  - **A promotional offer (such as for opening a new frequent flyer account), OR**
  - **An on-the-spot upgrade. [JER para. 4-202]**
- **But you may not accept upgrade based on rank.**

Upgrades on Official Travel -- Buying Them with Personal Funds or Miles

- **Federal employees may use personal funds to upgrade to first class or business class while on official travel.**
- **Federal employees may use personal frequent flyer miles to upgrade to first class or business class while on official travel.**
- **Army policy prohibits military members from wearing the uniform in first class.**

Impartiality in Performing Official Duties

General Rule: No endorsement of an Non-Federal Entity (NFE), but…

May Provide Logistical Support:

- Approved community relations activities (but not fundraisers or membership drives) permitted if doesn't detract from readiness and no admission fee is charged (beyond reasonable cost of sponsoring the event) when CDR approves, but may not play favorites.

EXCERPT FROM DECEMBER 02 SEC ARMY MEMO

“ In spite of our best efforts, many soldiers perceive that they are being coerced to join certain organizations and that their membership in such organizations is tracked. Any coercion, real or perceived, is unacceptable and does not befit this magnificent Army. Any practice that involves or implies compulsion, coercion, undue influence, or

reprisal in the conduct of membership campaigns is strictly prohibited.

EXCERPT FROM DECEMBER 02 SEC ARMY MEMO

"This prohibition includes holding repeated orientations or meetings, or counseling those who have decided not to join after being provided information about the organization. It also includes using membership statistics when evaluating an individual's duty performance."

NO LISTS!!

Impartiality in Performing Official Duties

Endorsement permitted when <u>clearly personal</u>:

- **Can't wear uniform**
- **Can't use your official title, position or organization name.**
- **May use military rank as an identifier.**
  - **MAJ Smith – o.k.**
  - **MAJ Smith, Fort Sill Public Affairs Officer – not o.k. (because suggests official endorsement or preferential treatment)**

Impartiality in Performing Official Duties

Can endorse:

- Combined Federal Campaign (CFC) Program (not an individual CFC participant)
- Emergency Appeals Approved by Office of Personnel Management
- Military Relief Societies (ie. AER)
- Army Employees'/Dependents' Organizations Fundraising Among Own Members

Impartiality in Performing Official Duties

General Rule: No personal fundraising in the Federal workplace

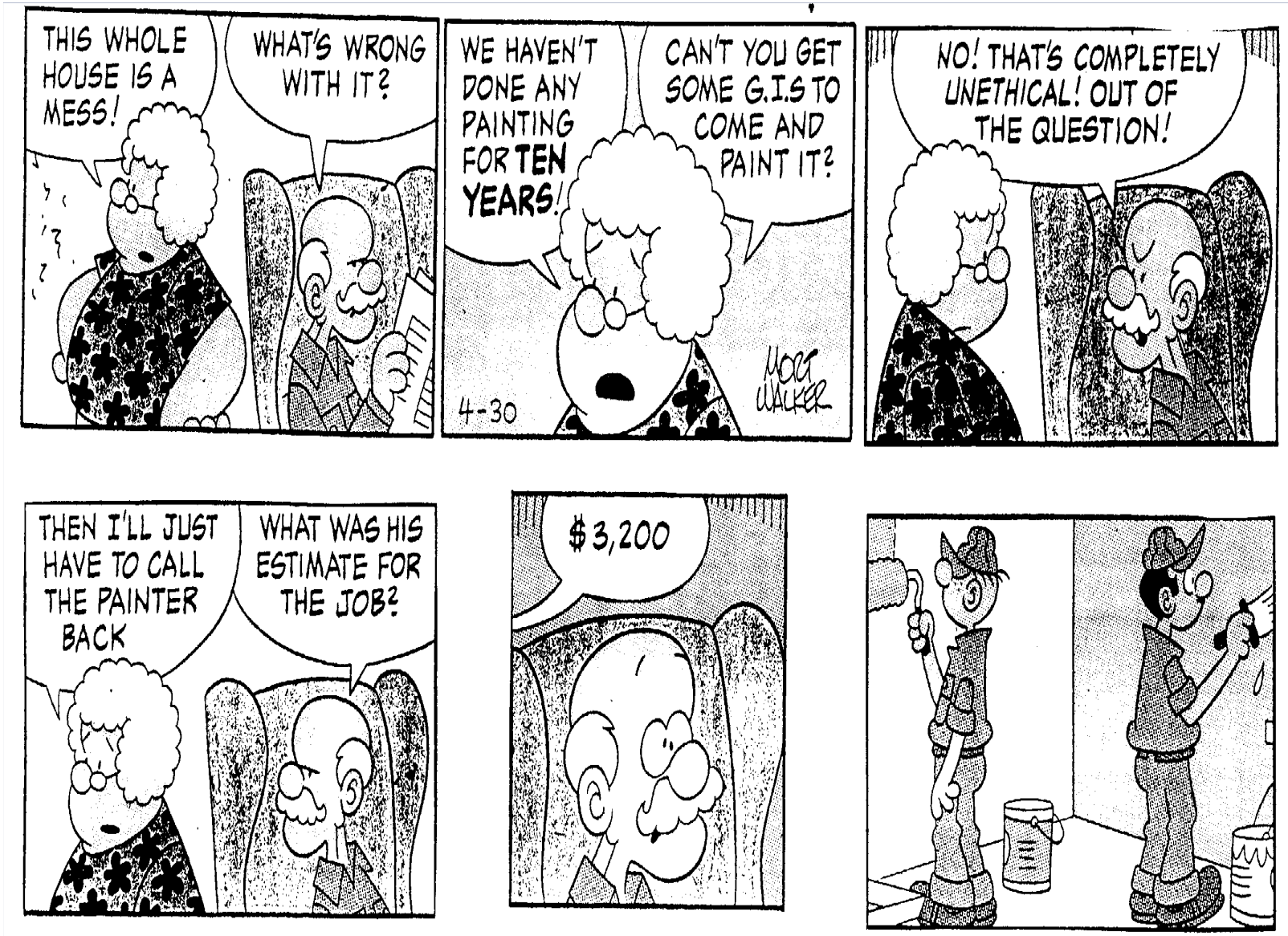
- Installation Commander may permit fundraising in designated areas (e.g. in front of PX)
- May not solicit from a subordinate or prohibited source
- May place collection boxes in public parts of building to collect food or clothing for charity

Use of Government Property and Resources

- Must use official time in an honest effort to perform official duties
- May not use the resources of the public office for private gain
- Official, authorized purposes only
- Limited personal use may be authorized by supervisor

Use of Government Property and Resources

- **Use of Subordinates**
  - **personnel are resources too!**
  - **personal errands, meals, dry cleaning, shopping**
    - Improper to ask subordinates
    - Decline offers of subordinate


THIS WHOLE HOUSE IS A MESS!
WHAT'S WRONG WITH IT?
WE HAVEN'T DONE ANY PAINTING FOR TEN YEARS!
CAN'T YOU GET SOME G.I.S TO COME AND PAINT IT?
4-30
MORT WALKER
NO! THAT'S COMPLETELY UNETHICAL! OUT OF THE QUESTION!
THEN I'LL JUST HAVE TO CALL THE PAINTER BACK
WHAT WAS HIS ESTIMATE FOR THE JOB?
$3,200

Misuse of Position and Government Resources

PERSONAL USE OF GOVERNMENT PROPERTY

RULE: Government resources shall be used by DoD employees for official purposes only . . .” (JER 2-301b).

- **Exceptions**: May use for unofficial “authorized” purposes if
  - No adverse effect on official duties
  - Reasonable duration and frequency
  - Serves legitimate public purpose
  - Does not reflect adversely on DOD
  - Does not overburden a communications system and is of no significant additional cost to DOD

Use of Government Property and Resources

- **Communications Systems**
  - **Computers, Telephones, Email, Internet**
    - **May be used for authorized purpos**
    - **What is an Authorized Purpose**
  - **cell phones**
    - **Army-Specific Guidance**
      - **Current Policy: Official Use Only!**
      - **Future Policy: Authorized Use??**

er!

Government Property -- E-Mail

Govt. e-mail may be used for personal communications if supervisor determines:

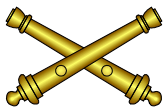
(1) No adverse effect on performance of duties,
(2) Use is of reasonable duration & frequency,
(3) Use serves a legitimate public interest,
(4) Use does not reflect adversely on Army,
(5) Use does not overburden the system, and
(6) Use does not create signif. additional cost.

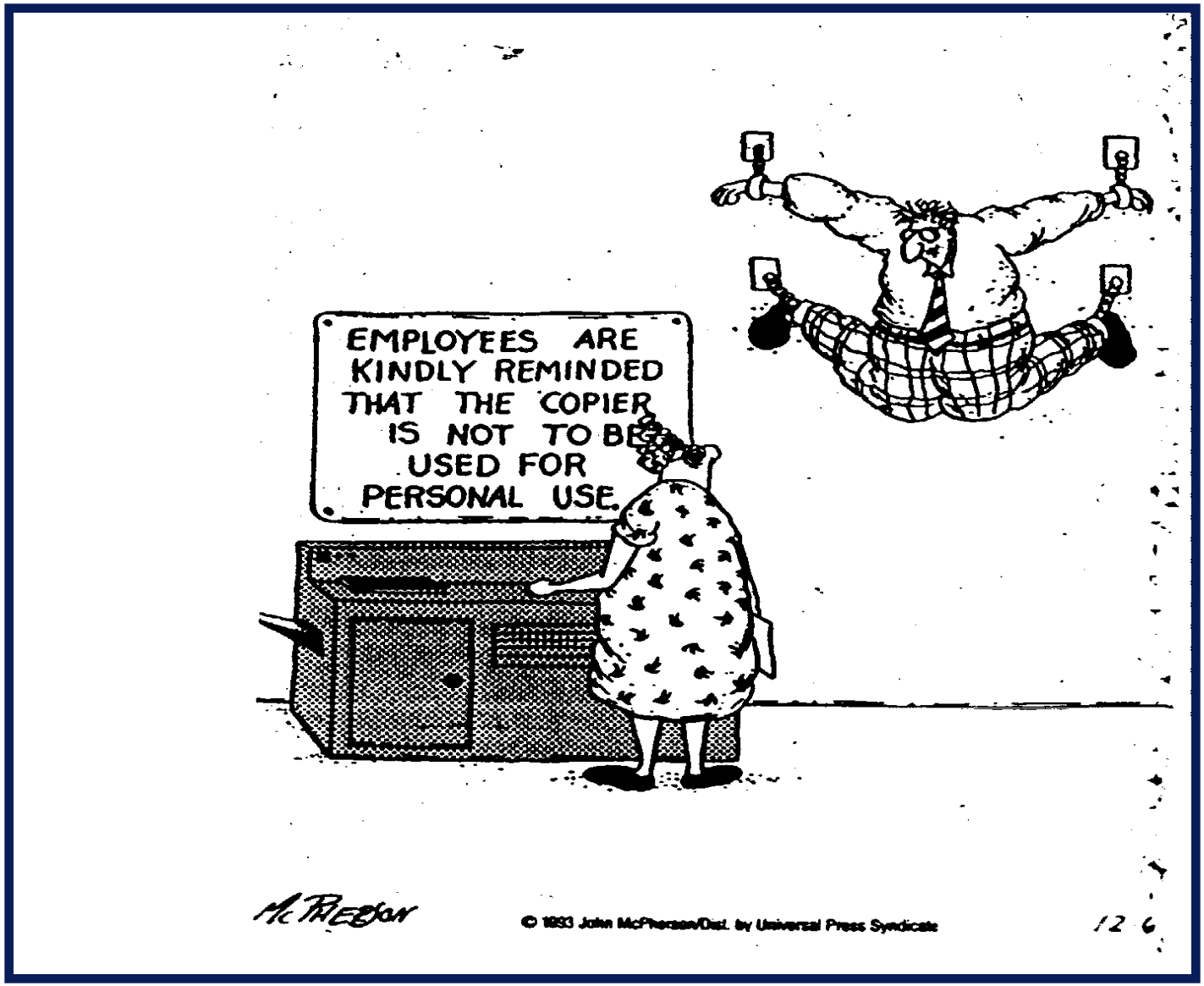
[JER ¶ 2-301]

Misuse of Position and Government Resources

USE OF GOVERNMENT RESOURCES FOR ANY OF THE FOLLOWING IS <u>PROHIBITED</u>:

- **Pornography**
- **Chain email**
- **Commercial activities (e.g., private business)**
- **Establishment of Religion**
- **Political Activities**
- **Interference with Mission**
- **Activity reflects adversely on DoD (e.g. extremist or sexist activities)**

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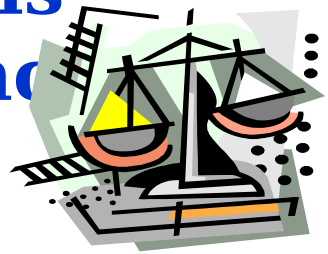
Ethics Principles #10, #11, and #12

10. Do not engage in, seek, nor negotiate for outside employment that conflicts with official duties.

11. Employees shall disclose waste, fraud, abuse, and corruption to appropriate authorities.

12. Be a good citizen—pay your bills your taxes and all other just financial obligations.



Outside Compensation

- Employees shall not engage in outside activities which conflict with the conscientious performance of official duties.
- Be careful not to get in over your head. You can sell shoes at Sears at night and launch rockets for the Army, but you have to be awake at the end of the countdown.

Ethics Principles #13 and #14

13. Follow all laws and regulations that provide equal opportunity for all employees regardless of race, color, religion, sex, national origin, age, or handicap.

14. Avoid even the appearance of an ethical violation—an appearance of a violation is just as bad as a violation itself.

Conclusion

- **14 Principles - Only the Beginning**
  - **Code of Federal Regulations**
  - **Joint Ethics Regulation**
- **Ethics is Everyone's Responsibility**
- **Questions/Concerns**
  - **Ask your Ethics Counselor**
  - **Ask BEFORE you act**

Questions?